

GOSSIP OF THE STREET—PHILADELPHIA COMMERCIAL MARKETS—GRAIN AND COTTON

"RAILS" EQUIPMENT CERTIFICATES AS AN ATTRACTIVE INVESTMENT

Many Offered Are Free From State and Income Tax—A Comparison—Gossip of the Street

In a certain class of securities there is considerable activity in this city at the present time, but outside of the large trust companies and managements of large estates little is known about them. Reference is made to equipment trust certificates.

Many of these certificates are issued on what is known as the Philadelphia plan and, in view of the new war taxes, are especially desirable from the investor's standpoint, as they are free from both State and income taxes. A few are free from State but not income tax. They are issued serially and as they are paid off the cash equity in the remainder outstanding is always increasing. Many of these equipment trust certificates issued by railroads not in the State of Pennsylvania are not issued on the Philadelphia plan, and are therefore not so attractive to the investor under present conditions, as they are subject to both income and State taxes; but taking them as a whole, railroad equipment trust certificates furnish a safe and profitable short-term investment.

For example, the Baltimore and Ohio Railroad equipment 4½ per cent trust certificates of 1913 and 1914, which have now a cash equity of about 45 per cent, are free from State and income taxes and at present are selling on a 5.20 to 5.50 basis. Those of the Baltimore and Ohio of 1916 and 1917 are free from State but not income tax and have not so large a cash equity in those outstanding.

The Erie Railroad 4½ per cent equipments, series Q, R and V, and the 5s of series AA, were also issued on the Philadelphia plan, are free from State and income taxes and are now selling on a 5.35 basis or better.

Among the best equipment certificates are the Pennsylvania Railroad freight 4 per cent equipments of 1916 and 1912 and the 4½s of 1915, all of which are on the Philadelphia plan, free from State and income taxes, and these are at present selling on a 5 per cent basis.

As against these there are the New York Central Lines equipments outstanding, the 5½s of 1907 and the 4½s of 1910 and 1912, which are selling on a 5.50 to 5.80 basis, and the 4½s of 1917, selling on a 6 per cent basis.

None of these latter were issued on the Philadelphia plan and are subject to both income and State taxes, and while very attractive, are not so desirable, in view of the war taxation, as a similar class of investments issued on the Philadelphia plan.

Depression to Be Followed by Roused Interest

From many quarters excuses are forthcoming for the lack of interest by the public in the new Liberty Loan, but it is pointed out that there was a depressing period of a similar nature shortly after the first Liberty Loan was launched, and the effect of it proved to be that such a condition was needed at that time to arouse and quicken the interest of the nation to the real nature of the loan and hasten the subscriptions which eventually made it the success it proved to be.

Some of the excuses heard are that it is subject to super income and excess profits taxation. Many of the people who subscribed for the first loan and who are still paying their installments are not prepared to subscribe to the new loan, or at least not as much as they subscribed to the first loan.

Some persons used their surplus bank funds to buy their first issue bonds and have no more surplus funds. Others sold securities, stocks and bonds to obtain money to buy their present holdings of the first issue and have no such resources to fall back on to buy now, and those who still have securities which they could turn into cash and buy 4 per cent Liberty Bonds are not willing to sacrifice their securities at the present low market prices and are waiting for a favorable turn to convert their holdings into Liberty Bonds.

Against these excuses is, first of all, the great big fact that the 4 per cent Liberty Bonds are the premier security of the whole world; that they are 4 per cent instead of 3½, that the number of buyers who purchased the first issue shows that the surface of possible buyers all over the United States has not been scratched; that a great many people who did not subscribe to the first issue were educated to know what the purchasing of these bonds really means, first, for the Government in its prosecution of the war, and, secondly, to themselves as investors; that since the sale of the first issue many men have gone to training camps, canteens or to the front and have thus brought the lesson of the war nearer home to their own families as well as to their neighbors; that when the first issue was put out the farmers all over the country were spending money to put their crops in the ground, but today they are selling these crops and putting their money in the banks.

Treasury Instruction on Liberty Loan Concession

Apropos of the point raised in this column some days ago, and which provoked considerable discussion regarding the exchange of the first issue of 3½ per cent Liberty Bonds for 4 per cent bonds, Secretary McAdoo has announced that there will be issued by the Treasury Department within the near future a circular setting forth the manner in which this conversion should be undertaken. The terms of the 3½ per cent bonds require that an interest adjustment be made on each and every bond converted. The Treasury Department has devised a method whereby this adjustment of interest can, in a large measure, be made without the actual payment of any cash by the holder of the bond to the Government, or vice versa.

Holders of the 3½ per cent bonds are reminded that the date of issue of the new bonds into which their bonds will be convertible is November 15, and that no conversions can be actually accomplished prior to that date, although opportunity will be given to the holders of the 3½ per cent bonds to deposit their bonds for conversion several weeks in advance of the actual date of issue.

French Borrowers Making Payment

Bonbright & Co., Inc., announced yesterday that funds have been received from the French banks participating in the \$15,000,000 French export credit of September 15, 1916, for the payment of the first \$5,000,000 installment under that credit, due October 15. This is the initial payment on the third of these credits arranged by Bonbright & Co., Inc., the first two of which, aggregating \$30,000,000, having already been repaid by the French banks.

Colorado Power Company Reports

Colorado Power Company reports that an aggregate of 5247 horsepower was involved in twenty-three contracts representing new business on which services had not been begun on August 31. These retail power sales are exclusive of ordinary lighting and commercial service. The guaranteed annual revenue from them after commencement of service was \$70,863 and the estimated annual revenue to be produced by the business exceeds \$180,000—about 10 per cent of the company's present annual gross operating revenue. The greatest amount of service involved in any one contract was 1600 horsepower; estimated annual revenue of \$36,000. It is estimated that this contract will become operative in March, 1918. All other contracts will become effective during or before next January.

The net earnings of this company for August, 1917, were \$59,150.65, an increase of \$4408.97 over August, 1916.

HEAVY LIQUIDATION SENDS COTTON DOWN

Bulges Met Increased Offerings and Last Prices Are Not Far From the Bottom

The sales follow:

STOCKS

31 shr. North Wildwood Improvement Co., per \$100. 3

100 shr. Standard Iron Works, preferred, per \$50. 4½

13 shr. Real Estate Trust Co., preferred, per \$100. 100

10 shr. Newlin Haines Co., preferred, per \$100. 55

8 shr. Standard Engle Brewing Co., preferred, per \$100. 35

5 shr. Bank of North America, per \$100. 25

25 shr. Tuckerton H. H. Co., preferred, per \$100. 11

21 shr. Bank of North America, per \$100. 25

10 shr. Fairmount Savings Trust Co., per \$100. 100

8 shr. Standard Trust Co., per \$100. 65

2 shr. Fire Association of Philadelphia, per \$50. 310½

4 shr. Standard Association of Philadelphia, per \$100. 310½

10 shr. Independence Fire Insurance Co., per \$100. 20½

2 shr. United Firemen's Insurance Co., per \$100. 12½

3 shr. Standard National Fire Insurance Co., per \$25. 16

29 shr. People's National Fire Insurance Co., per \$100. 16

12 shr. Philadelphia Life Insurance Co., per \$100. 10½

1 shr. John B. Stetson Co., preferred, per \$100. 10½

1 shr. John B. Stetson Co., preferred, per \$100. 10½

1 shr. John B. Stetson Co., common, per \$100. 100

4000 Union Passenger Railway Co., per 6 per cent. Real estate general mortgage, coupons payable semi-annually, due April 1, 1922. 90%

4000 Standard Oil Co., per 6 per cent. Real estate general mortgage, coupons payable semi-annually, due April 1, 1922. 90%

500 Tuckerton Railroad Co., per cent. First mortgage, coupons payable semi-annually, due April 1, 1922. 90%

200 City of Philadelphia, 4 per cent. 90%

190 City of Philadelphia, 4 per cent. Due 1922. 90%

CLOSING LIVE STOCK PRICES

NEW YORK, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady closing. Lambs, 6000 head. Strong.

KANSAS CITY, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady closing. Lambs, 6000 head. Weak. Markets, 1000 head. Strong.

BETH. OMAHA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady closing. Lambs, 6000 head. Strong.

CATTLE—Receipts, 1000 head. Steady. Feeders, 1000 head. Strong.

CHICAGO, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

DETROIT, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

MEMPHIS, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ST. LOUIS, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

NEW ORLEANS, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

INDIANAPOLIS, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

DETROIT, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

DETROIT, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

DETROIT, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 7000 head. Steady. Feeders, 1000 head. Strong.

ATLANTA, Oct. 10.—CATTLE—Receipts, 1000 head. Steers, 700